



Equip Harlingen - PROGRAM GUIDELINES

Small Business 50/50 Matching Grant Program

Equip Harlingen is a small business matching grant program offered by the Harlingen Economic Development Corporation that provides up to Three Thousand Dollars (\$3,000) for new equipment purchases for businesses that are looking to expand their production capabilities. This grant encourages the retention and creation of jobs for business enterprises in the City of Harlingen to stimulate further economic activity. Applicants must have been in business at least one full year prior to the application date.

The program provides financial assistance to eligible commercial businesses for eligible equipment purchases through August 31, 2024, subject to the terms of the grant and final approval from the EDC Board of Directors and the City Commission. Program eligibility is discretionary and may be discontinued by the Board of Directors at any time, or until annual fund allocation is exhausted. Equipment must be pre-approved by the HEDC prior to the purchase to qualify for this grant.

Application Checklist:

The Harlingen EDC will begin accepting Equip Harlingen grant applications on March 1, 2024 through August 31, 2024 for pre-approval.

Items listed below are to be submitted together to the Harlingen EDC for review. Each document is to be submitted in the order per the list below and must include the applicant's original signature and date. Any documents being prepared on behalf of the applicant must also include an original signature of the person preparing the documents. Incomplete packages will not be reviewed. All application materials should be uploaded with your online application at www.HarlingenEDC.com/EquipHarlingen. Requested information includes the following:

- ✓ Completed online application from business owner.
- ✓ Detailed explanation how equipment purchase will lead to anticipated business growth, job creation, and job retention.
- ✓ Copy of current business tax certificate.
- ✓ Confirmation that mortgage, property insurance and property tax payments are current and in good standing, (receipt copies will be accepted.).
- ✓ Documentation of business ownership.
- ✓ Digital photographs of new equipment proposed to be purchased and name of company that will be utilized for purchase.

Eligible Expenses:

- New equipment that will allow the business to increase production to expand its operations or generate more sales. Equipment must be under warranty when purchased. Such equipment may include: stoves, ovens, refrigerators, lathes, table saws, tooling machines, plastic injection molding machines, etc.
- Equipment essential for the creation of more products.

Ineligible Expenses:

- Replacement of existing equipment.
- Furniture, computers, standard building equipment (such as toilets, grease traps, or sinks) or other products not essential for the increased production of products.

Program Eligibility:

- Eligible businesses must be for-profit entities occupying commercial space.
- Applicants must demonstrate that they have been in business within a commercial space for the previous 12 months of the application date.
- Applicants must be a commercial property owner and/ or an existing for-profit business (tenant) within the city limits of Harlingen, TX with **fewer than 20 employees.**
- National chains (more than three) or franchises are not eligible.
- Establishments with more than two locations are not eligible.
- Only one business per person will be considered.

- All existing business owner applicants must possess a current City of Harlingen Business Tax Receipt, and must generate local sales taxes.
- The business or owner must not be currently recipients of Harlingen EDC incentives or must not have received a Harlingen EDC incentive as of December 31, 2021 including a Revitalize Harlingen Grant.
- All applicants (business and/ property owner) must not have outstanding code enforcement violations or liens (unless related to a change of use).
- All applicants must be current on rental, mortgage and all tax payments if applicable.

Matters Affecting Eligibility:

- Use of the building must conform to all current codes and ordinances; non-conforming uses of any kind are not allowed.
- All real property taxes must be current and paid in full.
- The following applicants are ineligible: sexually oriented businesses as defined by Chapter 111 of the Code of Ordinances of the City of Harlingen, Texas, gambling establishments however identified including sweepstakes and cyber/internet cafes, new construction projects, businesses operating from residential property or residential uses, property owned by non-profit entities, and any non-conforming uses.
- Eligible businesses must not be considered a “public nuisance” by local law enforcement or code enforcement agencies.
- Qualifying improvements must conform to City of Harlingen current codes and ordinances.

Application and Funding Process:

- Approved projects **MUST** submit final payment requests for matching reimbursement grant by August 31, 2024. Requests for payment following this date will not be processed and company will lose funding.
- Purchase receipts and proof of equipment installation must be provided as part of the final payment request.

- An inter-departmental team of the HEDC staff will review applications and if eligible will bring before the HEDC Board for approval during an HEDC Board meeting.
- Upon approval, the HEDC will disburse the eligible grant funds to the commercial property owner or for-profit business no later than sixty (60) days following approval by the Board of Directors and the City Commission.
- Staff will be permitted to inspect the equipment to ensure conformance with the grant contract.

Maximum Awards:

Financial assistance to eligible commercial businesses for equipment purchases is fifty percent (50%) of the incurred costs, not to exceed Three Thousand Dollars (\$3,000).